

KEPPEL OPP'N EXH. 47

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2 second paragraph on that page says,
3 "SeteBrasil's project involves a
4 long-term financing structure with a
5 total value of U.S. \$20 billion, an
6 amount which will benefit 21 rigs of
7 the 29 drilling units under
8 construction by the company.
9 Besides this batch, another two
10 lines of credit are expected, the
11 second is structured by BNDES, and
12 the third by Merchant Marine Fund,"
13 FMN -- "FMM. Both are scheduled to
14 be signed this year."

15 Do you see that, sir?

16 A. Yes, I do.

17 Q. The next paragraph goes on
18 to write, "The second batch from
19 BNDES will involve an amount of
20 approximately U.S. \$8.2 billion,
21 benefiting a total of at least 12
22 rigs with delivery scheduled for the
23 2017-the 2018 term."

24 Do you see that, sir?

25 A. Yes, I do.

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2 Q. And then the third
3 paragraph, the first sentence
4 states, "Worth approximately U.S.
5 \$5.5 billion, the third batch is
6 expected to be signed in May, which
7 is before the second lot."

8 Do you see that?

9 A. I do see it, yeah.

10 Q. Okay. So Mr. Loh, securing
11 long-term financing from BNDES was
12 absolutely critical to the survival
13 of Sete, right, sir?

14 A. Well, I -- I recall that
15 when the oil price started to shift
16 downwards in around middle of 2014,
17 it caused quite a lot of distress in
18 the industry and as a result credit
19 financing was tight.

20 I think there was certainly a
21 concern that if Sete did not get the
22 financing they required, you know,
23 the yachts will not get paid.

24 Q. Right. BNDES was going to
25 finance almost \$20 billion of

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2 long-term debt for Sete, right, sir?

3 A. Based on the report here I
4 only am aware of, you know, from
5 what I recollect, and this is some
6 time ago, that we were watching the
7 BNDES funding quite closely because
8 at that point in time, I believe, I
9 believe, that payment had stopped
10 coming in for the rigs that we were
11 building.

12 Q. You knew, didn't you, sir,
13 that without long-term financing
14 Sete could not survive, right, sir?

15 A. Well, I'm not in a position
16 to comment because I'm not familiar
17 with the financial position of Sete.
18 I think at that point in time I -- I
19 think we were just concerned that
20 the payments were not coming in for
21 our rigs. And I think the BNDES --
22 from the e-mail that you just showed
23 me, the BNDES funding or the loan
24 from BNDES seems to be quite
25 critical in order for Sete to

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2 continue funding the milestone
3 payments to the shipyards.

4 Q. All right. I'm going to
5 mark another exhibit.

6 All right, sir, I have
7 introduced Plaintiffs' 61. Let me
8 know when you have it.

9 A. I have that.

10 (Loh Exhibit 61, E-mail from
11 Chin Loh Hua to Y.Y. Chow, Bates
12 Keppel 6158, marked for
13 identification, as of this date.)

14 Q. Plaintiffs' 61 is a single
15 page document dated -- with the
16 Bates stamp Keppel 6158. And this
17 is an e-mail that you sent on
18 February 4th, 2015, to
19 Mr. Y.Y. Chow, correct?

20 A. Yes, appears to be.

21 Q. Okay. And what was
22 Mr. Chow's position at this time?

23 A. Mr. Chow at that time was
24 the CEO of Keppel Offshore & Marine.

25 Q. And you write to Mr. Chow,

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2 "Any further update on Sete
3 financing deal the BNDES?"

4 Do you see that, sir?

5 A. Yes, I do see that.

6 Q. And you were asking this
7 question because you were concerned
8 about getting payment from Sete for
9 the shipbuilding that one of Keppel
10 Corp.'s affiliates was doing in
11 Brazil, right, sir?

12 A. It would appear to be. As
13 I said earlier, there were some
14 concerns at that point in time on
15 payments of the milestone payments
16 for the rigs.

17 Q. All right. I'm going to
18 mark another exhibit. Let me know
19 when you have Plaintiffs' 62.

20 A. Yes, I have Exhibit 62.

21 (Loh Exhibit 62, E-mail from
22 Chin Loh Hua to Mr. Wang, Bates
23 Keppel 440618 through 623, marked
24 for identification, as of this
25 date.)

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2 STATE OF NEW YORK)

3 ss.:

4 COUNTY OF NEW YORK)

5

6 I, ERICA L. RUGGIERI, RPR and a
7 Notary Public within and for the State
8 of New York, do hereby certify:

9 That I reported the proceedings
10 in the within-entitled matter, and
11 that the within transcript is a true
12 record of such proceedings.

13 I further certify that I am not
14 related by blood or marriage, to any
15 of the parties in this matter and
16 that I am in no way interested in the
17 outcome of this matter.

18 IN WITNESS WHEREOF, I have
19 hereunto set my hand this 9th day of
20 July, 2021.

21

22



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ERIC L. RUGGIERI, RPR, CSR, CLR

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